

**New York State Department of Taxation and Finance  
Taxpayer Services Division  
Technical Services Bureau**

TSB-M-81(18)S  
Sales Tax  
October 29, 1981

1981 Legislation  
Chapter 781 of the Laws of 1981 - Effective September 1, 1981

Section 1116(b), Article 28 of the Tax Law, has been amended by the addition of a new paragraph, number 3. This paragraph prescribes that those organizations which have applied for and received an exempt organization number from the Tax Department pursuant to sections 1116(a)(4) and (5)\* and which provide the services of parking, garaging and storing of motor vehicles in New York City (Bronx, New York, Kings, Queens, and Richmond counties) must collect sales tax on the sales of these services in New York City, just as all other companies, businesses, and organizations have been required to and are still required to do.

Any such organization which is not registered for sales and use tax purposes must file a Certificate of Registration, Form TP-153, with the State Tax Commission and commence collection of tax effective September 1, 1981. In addition to a regular Sales and Use Tax Return, a corresponding Schedule "N" for New York City Taxes on Selected Services must be filed.

In the counties of Bronx, Kings, Queens and Richmond, "exempt organizations" providing the services described in this memorandum must collect tax at the rate of 6%. Those operating in Manhattan (New York county) must collect tax of 14%.

For purposes of this tax, the following definitions apply:

1. Parking - the act of providing temporary storage for a motor vehicle, for a consideration, with the customer or the attendant having the right to remove the vehicle.
2. Garaging - the act of providing storage facilities for a motor vehicle, for a consideration, with the customer having the sole right of entrance and exit.
3. Storing - an act similar to parking or garaging, with the right to remove at will, but generally with no attendant on the premises. (This does not include "dead" storage.)

Please note that receipts from the sales of services in garages which are part of premises occupied solely as a private one or two family dwelling are not subject to sales tax.

\*Organizations described by section 1116(a)(4) - Any corporation, association, trust, or community chest, fund or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary or educational purposes, for the prevention of cruelty to children or animals, or to foster national or international amateur sports competition without provision of any athletic facilities or equipment.

Organizations described by section 1116(a)(5) - A post or organization of war veterans, or an auxiliary unit or society of, or a trust or foundation for, any such post or organization.